

Module 2: Key Points

After completing this module, you will:

- ⇒ Understand how to distribute free and reduced-price applications.
- ⇒ Know about important dates and deadlines regarding applications.
- ⇒ Be able to classify the types of eligibility.
- ⇒ Comprehend direct certification and understand its benefits.
- ⇒ Know what items you need (and what items are nice to have) in order to process applications.
- ⇒ Be able to review applications for completeness of information.
- ⇒ Be able to identify “error prone” applications.
- ⇒ Be able to identify “temporary approval” applications.
- ⇒ Realize the importance of training others to help you approve applications.
- ⇒ Understand the basics of the verification process.

Module 2: Tasks

You should complete the following tasks in Module 2:

- ⇒ Read the lesson
- ⇒ Read the lesson Summary
- ⇒ Do the Activity
- ⇒ Take the Self-Quiz
- ⇒ Review the Web sites and resources related to Module 2

Module 2: Target Audience

This module should be reviewed by the child nutrition director (or designee) and all office staff members who are involved in determination of meal eligibility and in the verification process.

Module 2: Estimated Time Required

Approximately 1 hour and 15 minutes



Meal Eligibility

Meal eligibility is the process that determines a student's eligibility for free and reduced-price meal benefits in the National School Lunch Program (NSLP) and School Breakfast Program (SBP).

To receive free or reduced-price benefits, the student's family must:

- ⇒ Be "directly certified," which is a simplified method of determining some children's eligibility for free meals without a family or household having to complete an application. If a child receives food stamps or benefits under the Family Employment Program (FEP) or the Food Distribution Program on Indian Reservations (FDPIR), he/she is automatically eligible for free meals.
- ⇒ Submit an application for free or reduced-priced meals each school year. Schools are required to serve meals at no charge to children whose household income is at or below 130 percent of the federal poverty guidelines. Children are entitled to pay a reduced price if their household income is above 130 percent but less than 185 percent of these guidelines.

Distribution of Applications

The USOE sends sample application letters and forms to you, the School Food Authorities, each year. You must do the following:

- ⇒ Send a letter and application form to parents that contains the free and reduced-price income eligibility guidelines. The items must be provided to parents or guardians of **all** children in attendance at your school in the **same** way.
- ⇒ Provide appropriate non-English letters and applications to households if a significant number of enrolled children come from families with limited English communication skills (see the resource section of this module for information on how to obtain non-English letters and application forms).
- ⇒ Distribute letters and applications to all households no earlier than one month before school starts. Make sure to give a letter and application form to students enrolling at other times of the year as well. Consider including applications in all "new student" packets.
- ⇒ Prevent overt identification of families who have previously been (or will be) eligible for free and reduced-price meals (which would include setting up special tables parents must visit or sending home application materials only to certain students).





The prior year's applications are only valid for the first 30 operating days of the new school year.

Determining Eligibility From Household Applications

You must have three items on applications for categorical eligibility:

- ⇒ Name of child(ren), grade(s), school(s)
- ⇒ Food stamp number or Family Employment Program (FEP) or Food Distribution Program on Indian Reservation (FDPIR) case number **for each child**
- ⇒ Signature of an adult household member

You must have five items on applications for income eligibility:

- ⇒ Names of all household members
- ⇒ Social security number of adult who signs application (or "none" checked)
- ⇒ Current income
- ⇒ Source of income
- ⇒ Signature of an adult household member (whose SSN is listed on form)



Special Circumstances

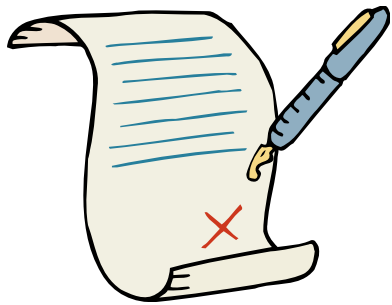
A **foster child** is defined as "a child who is living with a household but who remains the legal responsibility of the welfare agency or court." A foster child is considered a household of one. Each foster child must be on a separate application that includes:

- ⇒ The name of the child.
- ⇒ The child's personal use income. (This is income received and kept by the student for his/her own personal use via part-time work or an allowance. This is not income the foster family receives for care of the child.)
- ⇒ The signature of an adult household member.

If personal use income is "0," the foster child is eligible for the free meal benefit. If the personal use income is greater than "0," the income is converted to a monthly amount and then compared to the monthly amount on the Income Eligibility chart for a household of one.

If an application lists both household members and a foster child, make a copy of the application. On one, cross off all household members. On the other, cross off the foster child. Process as two applications.

Special Circumstances (continued)



Migrant, homeless and runaway youth are categorically eligible for free meals if certified by the district's homeless liaison, shelter director, or migrant director. Documentation of eligibility must include:

- ⇒ The student's name.
- ⇒ The effective date.
- ⇒ The signature of the liaison.

Applications With Missing Information

The determining reviewer must not delay approval of an application if the household fails to provide any information. Information that is nice to have but **not required** for approval includes:

- ⇒ Race.
- ⇒ Address.
- ⇒ Telephone number.
- ⇒ Date received.



If the application is missing either the **three items** needed to approve a categorically eligible student or the **five items** needed to approve an income-eligible student, then the application may either be returned to the household or the household may be contacted either by phone or writing to obtain the information. Document the details of the contact, enter the information received on the application, initial, and then date the entry.



If the application is missing the signature of an adult household member, the application is incomplete and cannot be processed. The signature certifies that the information on the application is true and correct.

Direct Certification: No Application Needed

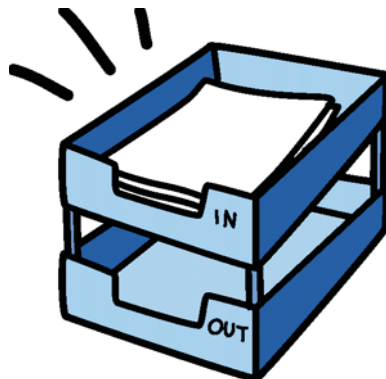
- ⇒ Direct certification is an alternative method of determining a student's eligibility for free meals without the household having to complete an eligibility application form.
- ⇒ The Department of Workforce Services (DWS) and the USOE send out letters each year to households that **automatically qualify** for free school meals.
- ⇒ When the parent shows you the letter, you (or another trained individual) should copy, sign, date and return the original letter to the household.
- ⇒ If a child's name was left off the letter, the parent can add the child's name, then date and sign below the addition.
- ⇒ If the parent has lost the letter, he/she must apply for benefits by completing a free and reduced-price application. It is not possible to get another copy of the letter.
- ⇒ Direct certifications are not part of the verification pool, unless a parent has added another child to the letter.
- ⇒ Schools can request a list at the beginning of each year showing all students within certain zip codes who are qualified to be directly certified. The request for schools to submit zip codes for which they wish to receive data is sent out yearly in August.



Determining Income and Household Size

Students who are neither categorically eligible for free or reduced-price meals nor directly certified for free meals must have their household income and size computed. When determining eligibility based on income and household size, keep the following points in mind:

- ⇒ All income must be reported, including salary (the amount **before** any deductions), public assistance benefits, social security payments, pensions, unemployment compensation, and the like. All income must be counted, regardless of outstanding bills due or other financial obligations.
- ⇒ A **household** is defined as a group of related or unrelated individuals who are not residents of an institution or boarding house, but who are living as one economic unit.
- ⇒ If the income reported seems inappropriate for the pay frequency specified, or if no frequency is specified, contact the household and clarify how often the income is received.



Determining Income and Household Size (continued)

- ⇒ If income from **all** sources is received monthly, add all of the monthly income amounts. Then compare the total and the household size to the monthly Income Eligibility Guidelines.
 - ⇒ If income is received from a variety of pay frequencies (such as monthly and biweekly), convert each income source to an annual amount. Multiply the gross amount received by the number shown for each pay frequency:
 - Weekly x 52 = yearly
 - Every two weeks x 26 = yearly
 - Twice a month x 24 = yearly
 - Monthly x 12 = yearly
- Add all of the converted income amounts. Finally, compare the total and the household size to the annual Income Eligibility Guidelines.

Zero Income = Temporary Approval

If a family reports **zero income**, the child(ren) may receive **free meals** for up to **45 calendar days**. After 45 days, you should contact the family to find out if their circumstances have changed. If there has been no change, you should document the contact and extend the temporary approval. If there has been a change, you should document the new income data (and household size if applicable) and then notify the household of the current eligibility determination.

Processing the Application

All School Food Authorities are required to:

- ⇒ Process applications **within 10 working days** of receipt.
- ⇒ Resolve any questions or inconsistencies.
- ⇒ Notify households of approval or denial of benefits.
- ⇒ Make changes to the household's eligibility status **within three working days** if there is a benefit increase or **within 10 working days** if there is a benefit decrease.



Once students are approved for free or reduced-price meals, eligibility remains valid for the school year. Households are *not required* to report changes in income.

Remember:
The prior year's free or reduced-price benefits carry over for a maximum of 30 *operating* days after the first day of the current school year OR when a new eligibility determination is made.

Master Roster

- ⇒ After applications have been processed, a master roster should be made. The roster should be updated and printed on a monthly basis in case the electronic version cannot be accessed (e.g., power outage).

Train all those who process the applications:

- ⇒ School secretaries
- ⇒ Principals
- ⇒ Lunchroom managers
- ⇒ SFA clerks



Verification: What, When and How

WHAT

- ⇒ A required annual process that confirms eligibility determinations of a *sample* of applications approved for free or reduced-price meals under the NSLP and the SBP.
- ⇒ There are three types of verification methods: “Basic 3%,” “Alternate 3%,” and “1% Plus.” All new SFAs must begin with the “Basic 3%” verification method.

WHEN



- ⇒ Verification activities may begin **anytime** after the start of school.
- ⇒ Required sample size is based on the number of applications on file as of **October 1st**.
- ⇒ Verification activities must be completed by **November 15th**.
- ⇒ Verification summary report is due to USOE Child Nutrition Programs on **March 1st**.

HOW

Ask the USOE Child Nutrition Programs for the manual detailing the procedures for the type of verification you will be doing (Basic 3%, Alternate 3% or 1% Plus).

Summary

- ⇒ To receive free or reduced-price benefits, the student's family must either be directly certified OR submit an application for free or reduced-priced meals each school year.
- ⇒ Letters and applications for free and reduced-price meal benefits must be sent by School Food Authorities each year (approximately one month before the start of school) and distributed in a manner that prevents any overt identification of applicants.
- ⇒ The prior year's applications are only valid for the first 30 operating days of the new school year.
- ⇒ Students who become categorically eligible for meal benefits must have three items completed on their applications, while students who become income eligible for meal benefits must have five items completed on their applications.
- ⇒ Foster children (who have no personal-use income) along with migrant, homeless, and runaway youth, are all eligible for free meals.
- ⇒ Applications that are missing either the necessary **three items** for categorical eligibility or **five items** for income eligibility must be returned to the household, or the household may be contacted (by phone or writing) to obtain the information.
- ⇒ DWS and the USOE send out letters each year to households that automatically qualify for free school meals. Students that are directly certified for free meal benefits do not need to complete an application unless the household has lost its letter.



Summary (continued)

- ⇒ Students who are neither categorically eligible for free or reduced-price meals nor directly certified for free meals must have their household income and size computed. The result is compared to the Income Eligibility Guidelines to determine whether they will receive benefits. If a family reports zero income, the child may temporarily (~ 45 calendar days) receive free meals.
- ⇒ Applications must be processed within 10 days of receipt. Changes in eligibility status must be made within three working days if there is a benefit increase and within 10 working days if there is a benefit decrease.
- ⇒ After processing applications, a printed master roster must be created.
- ⇒ All employees who process the applications must be trained.
- ⇒ Verification is a required annual process that confirms eligibility determinations of a sample of applications approved for meal benefits.
- ⇒ Verification activities must be completed by November 15th.
- ⇒ There are three types of verification methods ("Basic 3%," "Alternate 3%," and "1% Plus"). The USOE Child Nutrition Programs will send you a manual detailing the procedures for the verification method you will use.

Tips



- ⇒ Be sure to review the meal eligibility and direct certification procedures annually due to staff changes and periodic federal revisions in eligibility procedures.
- ⇒ Remember to request a list from the USOE of all the students who may be qualified in your school's area to be directly certified. If your students come from many different zip codes, more than one list may be requested.
- ⇒ Request the categorical and income "master key" (developed by Nanette Barrett of Juab School District) from the USOE Child Nutrition Programs — a helpful tool for identifying incomplete applications.
- ⇒ If you are a new SFA, you will be using the "Basic 3%" verification method. If you have not already received the manual detailing the verification procedures, request one from the USOE Child Nutrition Programs.

Activity

Write an eligibility and direct certification procedure for your school(s) meal program. If you already have a procedure in place, write a summary of what needs to be reviewed and/or added. Make sure you address the following:



- ⇒ Training of staff members who will be processing applications.
- ⇒ Distribution of applications (the manner in which every student will receive one, the need for non-English letters, how you will prevent overt identification of applicants).
- ⇒ Important dates (date to send applications, date of the 31st operating day of your program, turn-around time to review applications and change eligibility status, if needed).
- ⇒ Processing of applications and follow-up of incomplete or temporarily approved applications (who, how, when).
- ⇒ Protocol for students who are in foster care.
- ⇒ Direct certification activities.
- ⇒ Name of homeless, migrant, and runaway youth liaison(s) in your district/ agency.

Self-Quiz (Answers on pages 12-13)

1) To receive free or reduced-price benefits, a student's household must either be _____ or, alternatively, submit an _____ for free or reduced-priced meals **each** school year.

2) When sending out applications and letters regarding the NSLP and SBP free and reduced-price benefits, schools must make sure to prevent _____ of families who have previously been (or will be) eligible for free and reduced-price meals.

3) The prior year's applications are only valid for the first _____ operating days of the new school year.

4) List the three items that must be included on applications for students who are categorically eligible for meal benefits:

- 1.
- 2.
- 3.

(Self-Quiz continued on next page)

(Self-Quiz continued from previous page)

5) List the five items that must be included on applications for students who are income eligible for meal benefits:

- 1.
- 2.
- 3.
- 4.
- 5.



6) True or False: Foster children are automatically eligible for free meal benefits.

7) True or False: If an application is missing the signature of an adult household member, the application cannot be processed.

8) True or False: If a parent has lost the letter from the Department of Workforce Services noting that the family is directly certified for free meal benefits, you simply need to contact DWS and request another letter.

9) True or False: If a household reports having outside financial obligations, such as high medical bills, its members are automatically eligible for free meal benefits.

10) If a family reports _____ income, the child(ren) may receive _____ for up to _____ calendar days before being the family must be contacted to find out if their circumstances have changed.

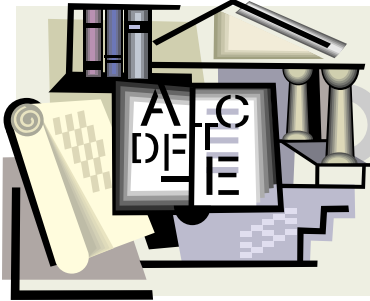
11) Briefly discuss the what, when and how of the verification process.

WHAT:

WHEN:

HOW:

Resources



- ⇒ USOE Verification Booklet
- ⇒ *Eligibility Guidance for School Meals Manual*
- ⇒ Non-English free and reduced-price applications at www.fns.usda.gov/cnd/FRP/frp.process.htm
- ⇒ Free/Reduced-Price Applications “Crib Sheet”

Self-Quiz Answers

- 1) To receive free or reduced-price benefits, a student's household must either be **directly certified** or, alternatively, submit an **application** for free or reduced-priced meals **each** school year.
- 2) When sending out applications and letters regarding the NSLP and SBP free and reduced-price benefits, schools must make sure to prevent **overt identification** of families who have previously been (or will be) eligible for free and reduced-price meals.
- 3) The prior year's applications are only valid for the first **30** operating days of the new school year.
- 4) List the three items that must be included on applications for students who are categorically eligible for meal benefits:
 1. **Name of child(ren), grade(s), school(s)**
 2. **Food Stamp, FEP or FDPIR case number for each child**
 3. **Signature of an adult household member**
- 5) List the five items that must be included on applications for students who are income eligible for meal benefits:
 1. **Names of all household members**
 2. **Social Security Number (SSN) of adult who signs the application**
 3. **Current income**
 4. **Source of income**
 5. **Signature of an adult household member (whose SSN is listed on the form)**
- 6) True or False: Foster children are automatically eligible for free meal benefits.
A foster child's personal use income must first be evaluated.

(Self-Quiz Answers continued on next page)

(Self-Quiz Answers continued from previous page)

7) True or False: If an application is missing the signature of an adult household member, the application cannot be processed.

The signature **certifies** that the information on the application is true and correct.

8) True or False: If a parent has lost the letter from the Department of Workforce Services noting that the family is directly certified for free meal benefits, you simply need to contact DWS and request another letter.

If a parent has lost the letter, he/she must apply for benefits by completing an application to determine eligibility for meal benefits. It is **not** possible to get another copy of the letter.

9) True or False: If a household reports having outside financial obligations, such as high medical bills, its members are automatically eligible for free meal benefits.

All income must be reported including salary (the amount **before** any deductions), public assistance benefits, social security payments, pensions, unemployment compensation and the like. All income must be counted, regardless of outstanding bills due or other financial obligations.

10) If a family reports **zero** income, the child(ren) may receive **free meals** for up to **45** calendar days before the family must be contacted to find out if their circumstances have changed.

11) Briefly discuss the what, when and how of the verification process.

WHAT: Verification confirms eligibility of a sample of applications that have been approved for free or reduced-price meals. There are three methods: Basic 3% (used by all new SFAs), Alternate 3% and 1% Plus.

WHEN: Verification is based on the number of applications as of **October 1st**. The verification process must be completed by **November 15th**. Verification summary report is due to the USOE CNP by **March 1st**.

HOW: Request the verification manual from USOE CNP for the type of verification method you will be doing. If you are not sure which method your SFA must use, USOE CNP will be able to give you that information as well.

